

MINUTES OF THE TOWN OF FLORENCE COUNCIL REGULAR MEETING HELD ON MONDAY, DECEMBER 7, 2020, AT 6:00 P.M., IN THE FLORENCE TOWN COUNCIL CHAMBERS, LOCATED AT 775 N. MAIN STREET, FLORENCE, ARIZONA. Notice is hereby given that seating is limited for the public to attend in-person due to social distancing requirements. Please remember masks are required for in-person attendance.

SPECIAL NOTICE REGARDING PUBLIC MEETINGS

Due to the risks to public health caused by the possible spread of the COVID-19 virus at public gatherings, the Town of Florence has authorized attendance through technological means. In reliance on, and in compliance with, the March 13, 2020 Opinion issued by Attorney General Mark Brnovich, and in conjunction with the Emergency Proclamation signed by Mayor Tara Walter, on March 18, 2020. The Town of Florence provides this special advance notice of the technological means through which public meetings may be accessed. Public wishing to provide comment at the meeting should contact the Town Clerk in by 5:00 p.m. the day of the meeting.

CALL TO ORDER

Mayor Walter called the meeting to order at 6:00 pm.

ROLL CALL:

Present: Tara Walter, John Anderson, Karen Wall, Kristen Larsen, Michelle Cordes, Judy Hughes

Councilmember Elect Arthur Neal and Councilmember Elect Johnie Mendoza were also present.

MOMENT OF SILENCE

Mayor Walter called for a moment of silence.

PLEDGE OF ALLEGIANCE

Mayor Walter led the Pledge of Allegiance.

CALL TO THE PUBLIC

Call to the Public for public comment on issues within the jurisdiction of the Town Council. Council rules limit public comment to three minutes. Individual Councilmembers may respond to criticism made by those commenting, may ask staff to review a matter raised or may ask that a matter be put on a future agenda. However, members of the Council shall not discuss or take action on any matter

during an open call to the public unless the matters are properly noticed for discussion and legal action.

Mr. Rick Luster, Florence Resident, requested that Florence Heights Drive be designated a truck route. He noted that the intersection of Main Street and State Route 287 is scheduled to be changed to a roundabout by the Arizona Department of Transportation in the near future and stated that time is of the essence to request the truck route designation. He explained his concerns regarding the traffic coming through Main Street onto Highway 79 and the many 90 degree turns that must be made along that route which is approximately 1.5 miles. Traffic also crosses three school crossing zones with 15 miles per hour zones three times per day during school days. His concern is also the 40 plus residences that traffic passes in front of and the near proximity to their front doors.

Mr. Luster stated that Florence Heights Drive already has some heavy traffic from the Florence Unified School District Bus Yard and the Pinal County Sheriff's Office Maintenance Yard. This route would cut the distance to 0.5 mile with only four homes and approximately seven apartments that face Florence Heights Drive.

Mr. Luster stated that the trucks passing through Florence rarely stop at businesses along the route; they primarily passthrough Florence in route to other towns to the mines and gravel pits with their cargo.

Mr. Luster stated directing commercial traffic to Florence Heights Drive shortens the travel to State Route 79 by 1/3 for trucks and eliminates two 90 degree turns on their route through Town.

Mr. Luster stated he lives along Butte Avenue and hears the truck traffic start as early as 4:00 am and lasts until approximately 9:00 pm. He understands this request is not a simple matter and requires meetings with Arizona Department of Transportation (ADOT) but hopes the Council can see the benefit it would be to those who reside along the current route as well as the drivers who pass through Town. He stated that travel routes vary depending on your GPS.

Mayor Walter inquired if he has communicated his concerns with ADOT, specifically with the many public meetings that the Town has had with ADOT.

Mr. Luster noted that he was unaware of any public meeting, and thought it be best to address his concern with the Council first.

Mayor Walter requested staff to reach out to Mr. Luster to discuss his concerns further.

Mr. Roger Biede, Executive Director, Greater Florence Chamber of Commerce, wished Councilmember Wall well wishes and thanked her for her contributions while on the Town Council. He stated that the Chamber is saddened to lose her as a board member as well.

Ms. Nancy Larsen, Florence Resident, inquired if anyone from the Town has any plans pertaining to the approval of Proposition 207.

Mayor Walter stated that the Town is working with the League of Arizona Cities and Towns regarding Proposition 207.

Ms. Larsen inquired if the Town would enact a ban against dispensaries coming to Florence.

Mayor Walter stated that during Call to the Public, Council can listen to the public's concerns; however, she can only give direction to future responses. She asked Mr. Billingsley to reach out to Ms. Larsen.

PUBLIC HEARING AND PRESENTATIONS

Public Hearing on a Conditional Use Permit request by Higher Dimension Christian Center, to allow the existing building to serve as a worship and clothing donation center within the zoning classifications: Neighborhood Office, Single-family Residential, Multi-family Residential, and Manufactured Home Subdivision, at a property located at 424 and 448 E. Butte Avenue; and Discussion/Approval/Disapproval to adopt Resolution No. 1753-20:

Mayor Walter read Resolution No. 1753-20 by title only.

A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, APPROVING A CONDITIONAL USE PERMIT REQUEST FOR PINAL COUNTY APN 200-50-0690 and APN 200-50-0700 (PZ 20-26).

Mr. Larry Harmer, Planning Manager, stated that the applicant is the Higher Dimension Christian Center, Inc. Their primary facility is in Mesa, Arizona. They have members of their congregation located in Florence and wish to open services and support for their members. The building that they wish to occupy is located at 424 and 448 E. Butte Avenue Florence, AZ 85132. The land is located in an area where there are four different zoning classifications.

Mr. Harmer stated that the building will serve as a worship area and clothing donation center for their congregation. He noted that the area has vacant lots on all four sides. The property to the north is residential, to the east is a vacant lot, to the south has single family residential, and to the west is the Pinal County Complex.

Mr. Harmer stated that these two primary activities will be operating on independent schedules with the clothing donation center open during the week and the worship area on Sundays which will require a Conditional Use Permit.

Mr. Harmer stated that the applicant is pursuing this Conditional Use Permit for church services and a donation center, for distribution of clothing for the needy, by applying for

NO Zoning uses as required by the Town of Florence Development Code. There is existing parking and handicap spaces on site. Since the donation center and worship service will offset each other, there will be no conflict in parking.

Mr. Harmer stated that they meet all of the criteria for a conditional use permit. The neighborhood meeting before the Planning and Zoning Commission was held on November 19, 2020 and there were no public comments received.

Mr. Harmer stated that the Planning and Zoning Commission sends the Town Council a favorable recommendation for this Conditional Use Permit request subject to the following Conditions of Approval:

1. The development of the subject site shall be in conformance with any applicable Town Codes, Ordinances, Building Codes and Fire Codes.
2. A Core Infill Incentive District application shall be submitted to concur with current parking lot layout.
3. The subject building shall meet all Building Occupancy requirements for this use as determined by the Town Building Official.
4. This Conditional Use Permit may be revoked by the Town of Florence and become null and void if the conditions of approval are not met.
5. No Conditional Use approval shall be final until all conditions imposed have been met.
6. All the special conditions shall constitute restrictions that run with the land and that shall be binding upon the owner of the land, successors or assigns.
7. Should the donation center grow to include larger items, any outdoor storage must be weather protected and screened from public view.

Mr. Rodney Hurd, Pastor, thanked the Council for their consideration. They look forward to being part of the community and for the guidance to be able to comply with the Town requirements.

Ms. Brenda Hurd, Pastor, stated that they are looking forward to being part of Florence.

Mayor Walter opened the public hearing.

Vice-Mayor Anderson inquired about the parking. He stated that there are not enough spaces in the parking lot to accommodate the 39 required parking spaces.

Mr. Harmer explained that the facility will have offsetting uses and therefore will be able to accommodate the parking requirements. There is also on street parking as well as parking at the Pinal County Complex.

Vice-Mayor Anderson inquired if there were any conflicts, specifically with no alcohol being served within 300 feet.

Mr. Harmer stated that there is no impact. Any existing businesses that may have been impacted would not be impacted because they have existing rights.

Mayor Walter inquired if there are any future conversations regarding possible businesses.

Mr. Harmer stated there has been no discussion regarding new businesses in the area.

Mayor Walter closed the public hearing.

On motion of Councilmember Wall, seconded by Councilmember Larsen, and carried (6-0) to adopt Resolution No. 1953-20.

Presentation on and Discussion/Approval/Disapproval of Accepting the Comprehensive Annual Financial Statement and Annual Expenditure Limitation Report ending June 30, 2020.

Ms. Rebecca Jimenez, Finance Director, previously provided a simplified version of the Comprehensive Annual Financial Report to Council. She stated that the Town came in below the expenditure limitation by \$11,608,854.

Mr. Ben Hur, Partner, CPA, Fester and Chapman, PLLC, stated that they provided an audit of the Town's financial statements for the Fiscal Year ending June 30, 2020.

Mr. Hur stated that this year's audit was challenging due to Covid-19 and their staff working remotely. He expressed the company's appreciation in the Town staff for forwarding the requested information electronically and working with them during these challenging times. The audit was able to be completed seamlessly.

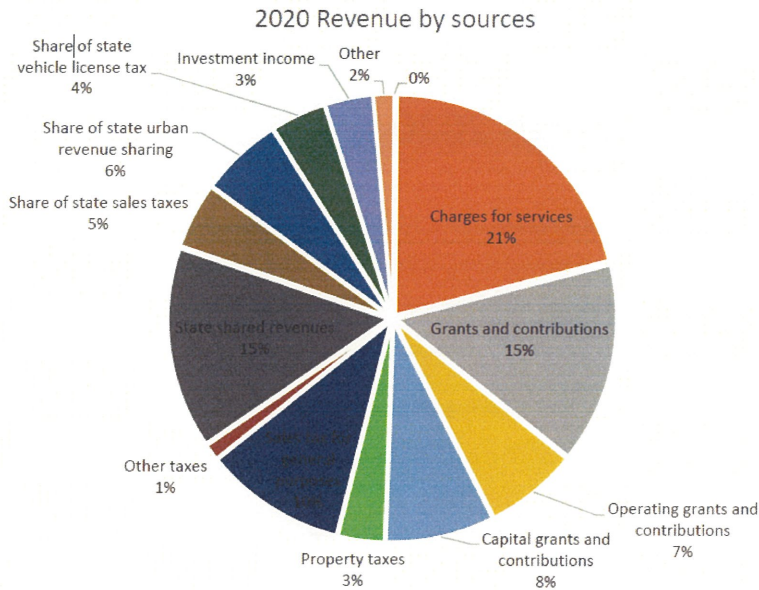
Mr. Hur stated that non-federal entities who receive more than \$750,000 of federal assistance are required to go through the single audit under the federal guidance. Unfortunately, at this point, they have not received the final guidelines or instructions for the performance of the single audit so they were unable to complete and include it; however, based on the information provided to them, they were able to do the testing and will be able to provide the testing reports to the Council.

Mr. Hur stated that the audit was performed in accordance with Generally Accepted Accounting Principles and expressed their opinion without any modified opinion, which means it is a clean audit.

Mr. Hu provided a presentation, in which he outlined the following regarding the Town of Florence, Arizona Annual Financial Audit Highlights year ended June 30, 2020:

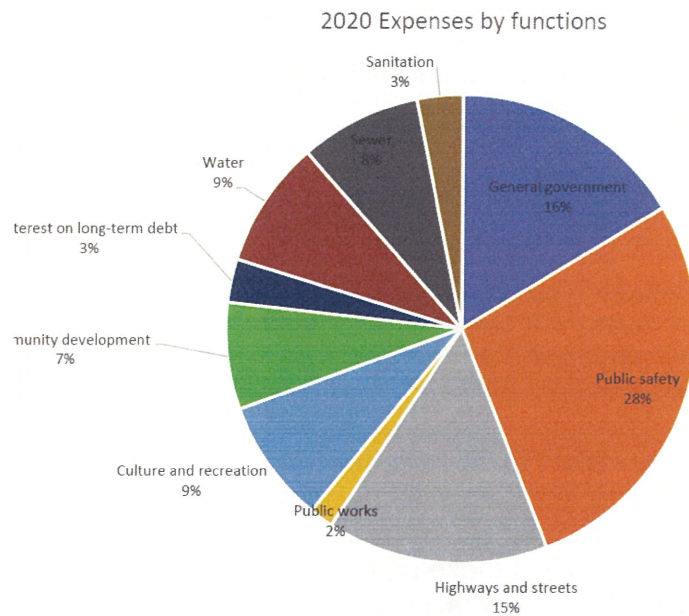
- Audit Results Summary - Financial Statement Audit

- Unmodified Opinion
 - Financial statements are presented fairly in all material aspects and in accordance with Generally Accepted Accounting Principles (GAAP)
 - Preliminary result -one finding is to be reported as a Material Weakness in Internal Controls
 - Internal Controls over Capital Assets process – Adjustment to the prior period fund balance was necessary to properly state capital assets.
- Audit Results Summary – Single Audit
 - Unmodified opinion is expected on compliance for major programs.
 - Major Programs
 - CFDA No 21.019 –Coronavirus Relief Fund via AZ CARES Fund
 - No deficiencies expected–related to internal controls over major programs tested.
 - No findings expected–related to major programs tested.
- Audit Results Summary –Report to the Mayor and Town Council
 - No new accounting standards and/or policies adopted.
 - Sensitive estimates and disclosures included in financial statements.
 - No difficulties encountered in performing the audit.
 - No disagreements with management
 - One material weakness related to internal control over financial reporting.
- Financial Information –Asset, Liability and Net Position ending June 30, 2020.
 - Total assets/deferred outflows = \$199.3 Mil
 - Select asset balances:
 - \$ 112.9 million Capital assets
 - \$72.3 million Cash and investments
 - \$8.0 million Receivables
 - Total liabilities/deferred inflows = \$42.0 Mil
 - Select liability balances:
 - \$24.7 million Long-term debt
 - \$10.4 million Noncurrent employee benefits
 - \$5.4 million Current payables
 - Town's net position=\$157.3 million
 - Net investment in capital asset \$88.1 million
 - Restricted \$38.2 million.
 - Unrestricted \$31.0 million
- Financial Information –Revenues during 2020
 - Total revenues = \$41.4 million
 - \$ 12.0 million Charges for services
 - \$8.4 million State shared revenues
 - \$6.6 million Federal and state grants
 - \$1.9 million Property taxes
 - \$2.0 million Investment income

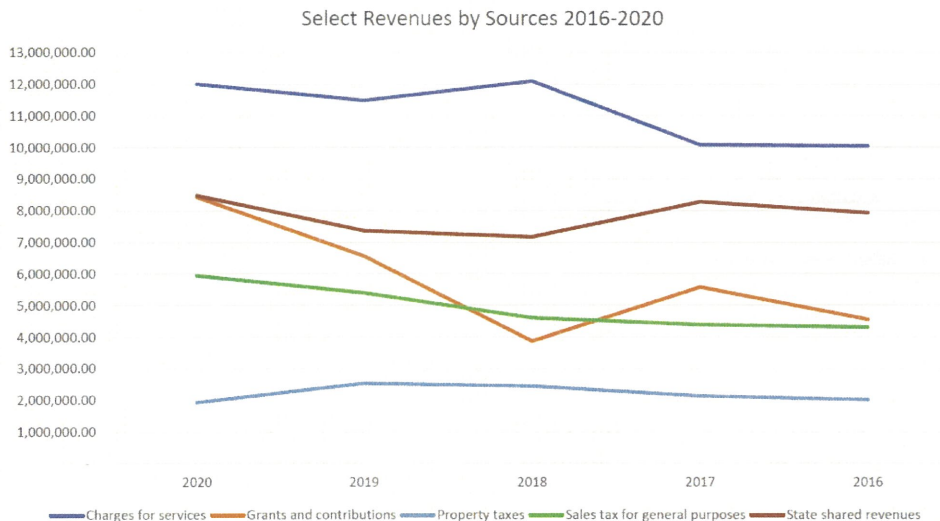


- Financial Information –Expenses during 2019

- Total expenses = \$32.4 million
 - Select expense sources:
 - \$9.0 million Public safety
 - \$5.3 million General governments
 - \$4.9 million Highways and streets
 - \$2.8 million Culture and recreation



Select Revenue by sources fiscal years 2016 through 2020



A letter was submitted by Fester and Chapman, PLLC, which stated the following:

“We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Florence, Arizona (the Town), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Town’s basic financial statements as listed in the table of contents.

Auditors’ Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors’ judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Town’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town’s internal control. Accordingly, we express no such opinion. An audit also

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includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Town as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund financial statements and schedules and the introductory and statistical sections listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules are management's responsibility and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional

procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Compliance over the Use of Highway User Revenue Fund and Other Dedicated State Transportation Revenue Monies

In connection with our audit, nothing came to our attention that caused us to believe that the Town failed to comply with authorized transportation purposes, insofar as they relate to accounting matter, for highway user revenue fund monies it received pursuant to Arizona Revised Statutes, Title 28, Chapter 18, Article 2, and any other dedicated state transportation revenues it received. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures; other matters may have come to our attention regarding the Town's noncompliance with the authorized transportation purposes referred to above, insofar as they relate to accounting matters.

The communication related to compliance over the use of highway user revenue fund and other dedicated state transportation revenue monies in the preceding paragraph is intended solely for the information and use of the members of the Arizona State Legislature, the Town Council, management, and other responsible parties within the Town and is not intended to be and should not be used by anyone other than these specified parties.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing *Standards*, we have issued our report dated November 25, 2020 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Town's internal control over financial reporting and compliance."

On motion of Councilmember Cordes, seconded by Councilmember Wall, and carried (6-0) to accept the Comprehensive Annual Financial Statement and Annual Expenditure Limitation Report ending June 30, 2020.

ADJOURN TO MERRILL RANCH COMMUNITY FACILITIES DISTRICT. NO. 1.

On motion of Councilmember Larsen, seconded by Councilmember Wall, and carried (6-0) to adjourn to Merrill Ranch Community Facilities District No. 1.

Discussion/Approval/Disapproval to accept the Merrill Ranch Community Facilities District No. 1 Audit.

Ms. Rebecca Jimenez, District Treasurer, stated that the reports are posted on the Electronic Municipal Market Access (EMMA) website for review.

Mr. Ben Hur, Partner, CPA, Fester and Chapman, PLLC, provided a presentation, in which he outlined the following for the Merrill Ranch Community Facilities District No. 1 Annual Financial Audit Highlights year ended June 30, 2020:

- Audit Results Summary - Financial Statement Audit
 - Unmodified opinion
 - Financial statements are presented fairly in all material aspects and in accordance with Generally Accepted Accounting Principles (GAAP)
 - No deficiencies (material weaknesses or significant deficiencies) on internal controls over financial reporting reported.
 - No deficiencies on internal controls over compliance reported.
- Audit Results Summary –Report to the Board of Directors of the Districts
 - No new accounting standards and/or policies adopted.
 - Sensitive estimates and disclosures included in financial statements.
 - No difficulties encountered in performing the audit.
 - No disagreements with management

On motion of Boardmember Wall, seconded by Vice-Chairman Anderson, and carried (6-0) to accept the Merrill Ranch Community Facilities District No. 1 Audit.

Discussion and possible action to approve Merrill Ranch Community Facilities District No. 1 July 20, and November 2, 2020 Special Meeting minutes.

On motion of Vice-Chairman Anderson, seconded by Boardmember Larsen, and carried (6-0) to approve the Merrill Ranch Community Facilities District No. 1 July 20, and November 2, 2020 Special Meeting minutes.

ADJOURN FROM MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1.

On motion of Boardmember Larsen, seconded by Boardmember Wall, and carried (6-0) to adjourn from Merrill Ranch Community Facilities District No. 1.

ADJOURN TO MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 2.

On motion of Councilmember Larsen, seconded by Councilmember Wall, and carried (6-0) to adjourn to Merrill Ranch Community Facilities District No. 2.

Discussion/Approval/Disapproval to accept the Merrill Ranch Community Facilities District No. 2 Audit.

Mr. Ben Hur, Partner, CPA, Fester and Chapman, PLLC, provided a presentation, in which he outlined the following for the Merrill Ranch Community Facilities District No. 2 Annual Financial Audit Highlights year ended June 30, 2020:

- Audit Results Summary - Financial Statement Audit
 - Unmodified opinion
 - Financial statements are presented fairly in all material aspects and in accordance with Generally Accepted Accounting Principles (GAAP)
 - No deficiencies (material weaknesses or significant deficiencies) on internal controls over financial reporting reported.
 - No deficiencies on internal controls over compliance reported.
- Audit Results Summary –Report to the Board of Directors of the Districts
 - No new accounting standards and/or policies adopted.
 - Sensitive estimates and disclosures included in financial statements.
 - No difficulties encountered in performing the audit.
 - No disagreements with management

On motion of Boardmember Larsen, seconded by Boardmember Cordes, and carried (6-0) to accept the Merrill Ranch Community Facilities District No. 2 Audit.

Discussion and possible action to approve Merrill Ranch Community Facilities District No. 2 July 20, 2020 Special Meeting minutes.

On Boardmember Larsen, seconded by Vice-Chairman Anderson, and carried (6-0) to approve the Merrill Ranch Community Facilities District No. 2 July 20, 2020 Special Meeting minutes.

ADJOURN FROM MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO 2.

On motion of Boardmember Wall, seconded by Boardmember Larsen, and carried (6-0) to adjourn from Merrill Ranch Community Facilities District No. 2.

CONSENT: All items on the consent agenda will be handled by a single vote as part of the consent agenda, unless a Councilmember or a member of the public objects at the time the agenda item is called.

- a. **Approval of the seven Returning Stronger Grant applications received, in the amount of \$40,479.90.**
- b. **Discussion/Approval/Disapproval to enter into a contract with Ellison Mills Contracting, LLC, for the Pinal County Water Line Project. in an amount not to exceed \$809,525.41 for the Pinal County CDBG Water Line Project.**
- c. **Discussion/Approval/Disapproval of Intergovernmental Agreement between Maricopa County, and the Town of Florence, for the Maricopa County Sheriff's Officer Basic Training Academy.**

d. Resolution No. 1759-20:

Mayor Walter read Resolution No. 1759-20 by title only.

A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY ARIZONA RESCINDING RESOLUTION NO. 1740-20 AND ADOPTING A LOCAL ALTERNATIVE EXPENDITURE LIMITATION FOR THE TOWN FOR THE FISCAL YEAR 2020-2021 AT \$47,075,242.

- e. Authorizing the Town Manager to accept a settlement on behalf of the Town of Florence and enter into a Memorandum of Understanding with Southwest Risk.**
- f. Approval of accepting the register of demands ending October 31, 2020, in the amount of \$2,520,947.88.**

On motion of Councilmember Wall, seconded by Councilmember Larsen, and carried to approve the Consent Agenda, as read with the exception of Item b. and Item e.

Discussion/Approval/Disapproval to enter into a contract with Ellison Mills Contracting, LLC, for the Pinal County Water Line Project. in an amount not to exceed \$809,525.41 for the Pinal County CDBG Water Line Project.

Councilmember Cordes asked for an explanation on what the program is and how the contractor was selected.

Mr. Salas, Public Works Director/Town Engineer, stated that the Town Council has approved a sub-recipient agreement with Pinal County for a CDBG funded water line project. The County plans to invest \$809,525.41 in waterline improvements in Florence using its FY19 CDBG allocation.

Mr. Salas stated the proposed water line improvements project will increase the size of existing water lines, add new water lines, and create a loop resulting in increased water flow and pressure to fire hydrants. Improvements will include the installation of fire hydrants and an 8-inch water main within approximately 1,498 linear feet on 11th Street and a portion of North Pinal Street, and a 12-inch water line within East 13th Street and a portion of North Pinal Street. Water service improvements to the area north of Florence High School and south of Adamsville Road include installation of a new section of 8-inch water line along approximately 400 linear feet within Willow Street and installation of one fire hydrant.

Mr. Salas stated that the City of Casa Grande awarded contract #0820-58 to Ellison-Mills Contracting, LLC, on September 16, 2020, for Maintenance and Repair Services for Fiscal Year 2020-2021. The City of Casa Grande allows other municipalities to use this cooperative contract for related projects. The Town will utilize the City of Casa Grande Cooperative Contract #0820-58 for maintenance and repair services for Fiscal Year 2020-

2021, which includes installation of new water lines, fire hydrants, tie-in to existing water lines, tie-overs to existing fire hydrants, asphalt patching and concrete replacement. The Town of Florence contract includes the cooperative use of contract #0820-58 and all of the required CDBG provisions in Exhibit 1 Terms and Conditions.

Mr. Salas stated that Pinal County sought bids as well and received two bids, which were both higher than the Ellison Mills pricing. The Ellison Mills pricing was approximately 12% less on certain sections than the other bids. He noted that the total cost consists of contingencies because more often than not, there are minor issues that arise.

Mr. Brent Billingsley, Town Manager, stated that Council has previously approved two separate agreements pertaining to this project. The Town approved an Intergovernmental Agreement between Pinal County and the Town for the Town to complete the project under the Community Development Block Grant Program.

Mr. Salas stated that the Town will be seeking JOC pricing so they will no longer have to utilize cooperative pricing.

On motion of Councilmember Cordes, seconded by Councilmember Larsen, and carried (6-0) to approve entering into a contract with Ellison Mills Contracting, LLC, for the Pinal County Water Line Project. in an amount not to exceed \$809,525.41 for the Pinal County CDBG Water Line Project.

Authorizing the Town Manager to accept a settlement on behalf of the Town of Florence and enter into a Memorandum of Understanding with Southwest Risk.

Vice-Mayor Anderson inquired what costs has the Town incurred due to the opioid epidemic.

Mr. Clifford L. Mattice, Town Attorney, stated that the Town has not incurred any direct costs due to the opioid epidemic. The Town is party to the pending litigation in the federal court, which was initiated by the Arizona Attorney General's office. Arizona is among the more than two dozen states and 2,000-plus other governmental entities that have reached a tentative legal settlement on the U.S. opioid epidemic. Southwest Risk Pool Board has been working on behalf of municipal interests. At this time there is no information regarding the potential amount of the settlement funds or in which fiscal year the funds would be received. The allocation will be based on data collected in 2012 by the U.S. Census Bureau.

Mr. Mattice stated that the Council will be kept updated as the litigation progresses. This agenda item, if approved, will authorize the Town Manager to accept a settlement on behalf of the Town of Florence and enter into a Memorandum of Understanding with Southwest Risk.

On motion of Vice-Mayor Anderson, seconded by Councilmember Hughes, and carried to accept a settlement on behalf of the Town of Florence and enter into a Memorandum of Understanding with Southwest Risk.

NEW BUSINESS

Discussion/Approval/Disapproval of Resolution No. 1754-20:

Mayor Walter read Resolution No. 1754-20 by title only.

A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, APPROVING A TOWN CORE INCENTIVE DISTRICT PLAN REQUEST FOR PINAL COUNTY APN 200-50-0690 and APN 200-50-0700 (PZID 20-01).

Mr. Harmer stated that the applicant is Higher Dimension Christian Center. The property is located at 424 and 448 East Butte Avenue and consists of two lots with an existing structure that was originally construct as two individual units. They are now combined by having the dividing structural wall modified to allow movement between the two units. The entire structure will be used as a worship area and a donation center. The site has 19 existing parking spaces, including 2 spaces that are ADA accessible.

The applicant has submitted a floor plan that demonstrates the proposed internal use of the building. The calculated required parking is noted below. Of importance to this application will be the hours of operation. The worship area will be used on Sundays and possibly some evenings. The donation center will be operational during the typical work week and possibly some Saturdays. As such, the parking impact will be minimized from what is required for the entire structure.

Existing Property

- Existing on-site parking: 19 spaces including 2 ADA compliant spaces.
- Required for Worship Center: 21
- Required for Offices: 5
- Required for Donation Center: 13

Mr. Harmer stated that the Core Infill Incentive Plan allows for variations to the Town's Code in the areas where there are non-conforming properties. The site is developed 100% and there is no room for modifications. Recognizing that the worship center is going to be used at a different time period than the donation center there is no need for the duplication of parking.

The Planning and Zoning Commission heard this item on November 19, 2020 and forwarded a favorable recommendation to Council with the following findings:

1. The Town Core Infill Incentive Plan was lawfully adopted and was created under the laws and rules established by the State of Arizona.

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2. The Town Core Infill Incentive Plan seeks to help remedy situations within the Infill Incentive District pertaining to undeveloped or underutilized properties, vacant structures, obsolete/inappropriate parcel configurations, and lower investment activity.
3. The subject property is within the Infill Incentive District and the conditions and circumstances applicable to this property support this application.
4. The overall impact of the proposed use would not adversely impact the surrounding neighborhood.
5. The request will encourage revitalization and use of the property, supports the enhancement of the quality of life in the Town of Florence Core area, and allows a vacant structure to be utilized.

Mr. Harmer stated that surrounding owners were notified of the application and had opportunity to comment and no comments were received.

Councilmember Cordes stated that parking may not be adequate and asked that those attending services not park in front of peoples' homes and use public parking instead.

Pastor Hurd stated that they will be considerate of the homeowners and park accordingly.

Mr. Harmer stated that the public parking immediately to the left doubles the amount of parking.

Vice-Mayor Anderson inquired if Pinal County needs to provide permission to use the parking spaces.

Mr. Harmer stated that permission is not needed to utilize public parking.

On motion of Councilmember Cordes, seconded by Councilmember Larsen, and carried (6-0) to adopt Resolution No. 1754-20.

Discussion/Approval/Disapproval of Resolution No. 1758-20:

Mayor Walter read Resolution No. 1758-20 by title only.

A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, DECLARING ITS INTENTION TO ESTABLISH A STREET LIGHT IMPROVEMENT DISTRICT TO PURCHASE ENERGY FOR LIGHTING THE PUBLIC STREETS AND PARKS IN THE AREA WITHIN THE CORPORATE LIMITS OF THE TOWN OF FLORENCE, ARIZONA, DESCRIBED ON EXHIBITS "A" AND "B", ATTACHED HERETO; DECLARING SUCH IMPROVEMENTS TO BE OF MORE THAN LOCAL OR ORDINARY PUBLIC BENEFIT AND THAT THE EXPENSES THEREOF BE PAID FOR BY THE LEVY AND COLLECTION OF AD VALOREM TAXES UPON THE ASSESSED

VALUATION OF ALL REAL AND PERSONAL PROPERTY IN A CERTAIN DISTRICT TO BE KNOWN AS "TOWN OF FLORENCE, ARIZONA, STREET LIGHT IMPROVEMENT DISTRICT 6, "MESQUITE TRAILS" "; AND ORDERING THAT SUCH IMPROVEMENTS BE PROVIDED FOR UNDER THE PROVISIONS OF SECTION 48-572, 48-576, 48-581 AND 48-615 ARIZONA REVISED STATUTES.

Mr. Salas, stated that this is a request by the Town of Florence, on behalf of Silver Fern Company LLC, to approve the creation of a new Street Light Improvement District (SLID) for Mesquite Trails Planned Unit Development, located immediately east of Wild Horse Estates, south east of the intersection of Felix Road and future Heritage Road. He stated it would include Parcels 1 – 6, which is all of Phase I. There will be an additional SLID for Phases II, III, IV and possibly V.

Councilmember Wall inquired what the relationship is between this agenda item and Pulte, specifically because there is a letter addressed to Pulte in the Staff Report.

Ms. Lisa Garcia, Deputy Town Manager/Town Clerk, apologized to Council for the error. The letter was inadvertently included in the Staff Report. The correction was made to the online agenda packet.

On motion of Councilmember Wall, seconded by Councilmember Cordes, and carried (6-0) to adopt Resolution No. 1758-20.

Discussion/Approval/Disapproval of Resolution No. 1761-20:

Mayor Walter read Resolution No. 1761-20 by title only.

A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, AUTHORIZING THE TOWN MANAGER TO EXECUTE THE MEMORANDUM OF UNDERSTANDING BETWEEN THE TOWN OF FLORENCE AND GREATER FLORENCE CHAMBER OF COMMERCE FOR THE ARIZONA OFFICE OF TOURISM RURAL COOPERATIVE MARKETING PROGRAM IN AN AMOUNT NOT TO EXCEED \$21,796.50.

Mr. Billingsley stated that the Town, in partnership with the Greater Florence Chamber of Commerce (Chamber), has been funded through the Arizona Office of Tourism for their Matching Grant Rural Community Fund for marketing. He stated that the Chamber submitted the application and the Town agreed to match the funding for the grant. The scope of services has been developed. The Town has met with the Chamber to determine how the duties would be shared and who would be responsible for the different aspects. The Chamber requested outside help for the graphic design component. The Town is contracting with a consultant for the graphic design component. The Town would pay for this service as well as the 50% match for the grant.

Mr. Billingsley stated the Memorandum of Understanding outlines the responsibilities of the Town and Chamber for procuring advertising and services.

Mayor Walter stated that there will be a vast array of marketing. She inquired what the timeline will be for advertising.

Mr. Billingsley stated that the program will run from November 2020 through August 2021. The focus of the print media buys are the Phoenix and Tucson markets while digital media are regional and statewide. The advertisement will be done on a specific schedule based on the timeframe.

Councilmember Hughes inquired where the funding is derived from.

Mr. Billingsley stated that this will be expensed from the Manager's contingency.

Councilmember Cordes stated that she is excited to see the partnerships that will happen the benefits that will be derived.

On motion of Vice-Mayor Anderson, seconded by Councilmember Wall, and carried (6-0) to adopt Resolution No. 1761-20.

Discussion/Approval/Disapproval of Resolution No. 1762-20:

Mayor Walter read Resolution No. 1762-20 by title only.

A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, APPROVING THE DEVELOPMENT AGREEMENT AND LOT SALE PROHIBITION FOR MESQUITE TRAILS ASLI VIII, L.L.C,

Mr. Billingsley stated that lot sale prohibition agreements are something that Council has approved in the past. It is a financial assurance which is used to ensure that something will happen in the future. This will prohibit the developer from selling lots until such time that was is required occurs. An example of this was in Anthem when lots were prohibited from being sold until such time as they were removed from the flood plain.

Mr. Billingsley stated that Mesquite Trails will be developed in a series of phases. Public infrastructure needs to be developed within each of those phases. There are improvements that will occur on Felix Road in Phase I, which are Parcels 1 – 6. There is more infrastructure that needs to occur on Felix Road aside from what the developer will complete. This agreement will place a lot hold on the three parcels of residential lots until all the improvements are completed within the timeline that ties into the traffic impact analysis for the development.

Vice-Mayor Anderson inquired if Mesquite Trails cannot be developed until it receives 7,000 cars per day, per the traffic impact analysis.

Mr. Billingsley stated that the Town does a lot of preliminary engineering work before the development is provided such as utility design, factoring of utilities to understand usage, size of sewer line, number of lift stations, etc. When they evaluate the transportation

portion, it is based on the known engineering standards that apply to level of service. The intent is to keep the level of service ahead of level of service delay. The engineer who is doing the analysis determines the thresholds or improvements, and in this case, it is on Felix Road.

Vice-Mayor Anderson stated that if homes are not being built, the traffic count will not increase. He inquired how will they get to 7,000 cars per day if there are not any homes.

Mr. Billingsley stated that the traffic impact analysis factors how many vehicles are going to be contributed to the regional network based on the construction of Parcels 1 – 6. When that meets the threshold for need of improvement for the remainder of Felix Road occurs, they will need to approve that portion of regional improvements that directly impact the Phase I improvements. The factors are in place to determine when Phase II can be started so that they will have a regional facility that can carry the traffic associated with Mesquite Trails but also the background traffic, which is the regional traffic that comes from Anthem north and Arizona Farms Road south.

Vice-Mayor Anderson inquired if the developer could install the infrastructure if they want to pay for it.

Mr. Billingsley state that they can but the improvements cost millions of dollars and they would want to garner a revenue stream so they can do the improvements.

Councilmember Wall stated that the prohibition is only for parcels 17, 18 and 19 and not the initial approvals. She noted that there would be traffic from the other parcels.

Mr. Salas stated that the development agreement that was done was one sided for the community. There was no discussion of phasing in the agreement and the Town was at a disadvantage. Current staff was not comfortable with the way the agreement was written. They had discussion with the developer and offered a partnership. It was difficult for them to agree since they had an approved development agreement and were under no obligation to modify what had been approved by the Town. He stated ultimately there were concepts that they could agree with that would not hurt the developer yet offer the Town some protection. The Town's concern was that the developer would build the road when homes were to build along the frontage on Felix Road, but what would happen if the project were put on hold and you now had a lot of traffic on that road from the homes that they did build. This will now have the developer build out the road in a manner that it is consistent with the traffic.

Mayor Walter inquired when the development agreement was approved.

Mr. Billingsley stated that the development agreement was approved in 2007.

On motion of Councilmember Wall, seconded by Councilmember Larsen, and carried (6-0) to adopt Resolution No. 1762-20.

MANAGER'S REPORT

Mr. Billingsley encouraged the public to take Covid-19 seriously and wear masks. The Town is in the worst case now compared to the past. Things have dramatically changed since the last Council meeting. The current positive daily case count for Arizona is 5,575 compared to 2,459 two weeks ago. The average positive cases per day in Florence is 30, compared to 4 cases per day two weeks ago. The hospitals in Arizona are at 92% capacity, and in California the capacity is at 80% capacity. They also have a three week stay at home ordinance.

Mr. Billingsley stated that the United Food Bank notified the Town of their intent to discontinue food distribution due to lack of participation in Florence. The Town staff, understanding the need to feed people in the midst of a pandemic, partnered with spiritual leaders, non-profits, the community, and United Food Bank to increase awareness and volunteerism through enhanced food distribution. Food boxes have continued to be distributed with sometimes running out of boxes for distribution. With this increase, the United Food Bank has agreed to continue distributing food with one change. United Food Bank will now drop off food once per month and our volunteers will be responsible for the set up and distribution.

Mr. Billingsley stated that United Food Bank will be partnering with the Florence Lions Club under their non-profit status 501-(C)3 to continue this valuable and much needed service in Florence. This partnership is doing good for the Town.

Mr. Billingsley stated, even in the midst of the Covid-19 pandemic, the state-wide revenues remain consistent and are above projections. HURF revenues have been below projections but are now in the positive. The building permits for the Town and valuations continue to grow.

DEPARTMENT REPORTS

Community Development

Community Services

Courts

Finance

Fire

Police

Public Works

Mayor Walter stated that she is happy to see that there were pre-application meetings with Big-O Tires, Anthem Car Wash, Anthem Storage, and Desert Rock. She noted that Desert Rock recently broke ground.

The Department Reports were received and filed.

CALL TO THE PUBLIC

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There were no public comments.

CALL TO THE COUNCIL – CURRENT EVENTS ONLY

Councilmember Wall commended the Finance Department on the Financial Reports. She invited everyone to drive down Main Street and to see the lights. She invited everyone to visit the ice-skating ring. She noted that this is her last Council meeting and thanked everyone for the last 5 ½ years.

Councilmember Hughes attended the Pinal Partnership meeting in which Mr. Pollack spoke. The downturn of the economy was discussed and they expect an improvement in the 3rd quarter of 2021. The real estate market is good in the State.

Councilmember Larsen stated that she appreciates working with Councilmember Wall. She thanked her for helping her grow and for being so kind and thoughtful. She stated that she is continually frustrated with Pinal County because they are not providing accurate COVID-19 data. It is important for the Town to obtain data for positivity cases for the general public and the jails/prison. She asked that the citizens reach out to Pinal County to have them provide accurate Covid-19 data to the Town. She stated that the housing market is at an all time high.

Councilmember Cordes stated that the market is very active right now and will get much more active with the passing of recreational marijuana. This is the same thing that happened with the housing market in Colorado. She stated that she has been dealing with health issues and stated that Covid definitely messes with the brain. Covid-19 is having a huge effect on the youth and elderly as they need the social interaction. She wished Councilmember Wall and thanked her for continued guidance.

Vice-Mayor Anderson has appreciated working with Councilmember Wall and is sure that there will be other interactions with her. He also attended the Pinal Partnership meeting and was appreciative of the Mr. Pollacks' talk. Unfortunately, there is a way to go before the State sees an improvement.

Vice-Mayor Anderson thanked the Town staff for assisting Santa Clause as he made his way throughout Town. He stated that everyone watching Santa drive through the various neighborhood and he was happy to see so many children outside excited to see Santa drive by.

Mayor Walter thanked the staff and the public for the lighting of the Silver King Market Place and Main Street as well as the Santa drive. It was beautiful to see how nice Main Street looks. There will also be a map that indicates houses that are lit up for Christmas so you can drive by.

Mayor Walter stated that the Town is doing some creative events such as the Polar Express Movie and invited everyone to participate.

Mayor Walter noted that there will be a ceremonial meeting on December 14, 2020 for the changing of the Council and invited everyone to attend.

The Council issued everyone a very merry Christmas.

ADJOURNMENT TO EXECUTIVE SESSION

For the purposes of discussions or consultations with designated representatives of the public body and/or legal counsel pursuant to A.R.S. Sections 38-431.03 (A)(3) and (A)(4) to consider its position and instruct its representatives and/or attorneys regarding:

**Discussion the Charles Whitlow Rodeo Grounds Management Agreement.
Discussion on the Governor's Executive Orders related to the COVID-19 Pandemic.**

On motion of Vice-Mayor Anderson, seconded by Councilmember Cordes, and carried (6-0) to adjourn to Executive Session.

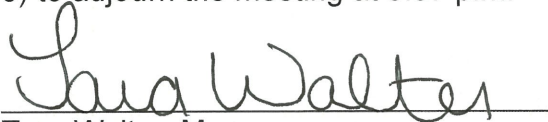
ADJOURNMENT FROM EXECUTIVE SESSION

On motion of Councilmember Larsen, seconded by Councilmember Cordes, and carried (6-0) to adjourn from Executive Session.

ADJOURNMENT

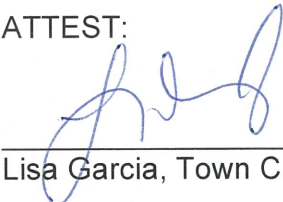
Council may go into Executive Session at any time during the meeting for the purpose of obtaining legal advice from the Town's Attorney(s) on any of the agenda items pursuant to A.R.S. § 38-431.03(A)(3). One or more members of Council may appear for part or all of the meeting including Executive Session telephonically.

On motion of Vice-Mayor Anderson, seconded by Councilmember Larsen, and carried (6-0) to adjourn the meeting at 8:37 p.m.



Tara Walter, Mayor

ATTEST:



Lisa Garcia, Town Clerk

I certify that the following is a true and correct copy of the minutes of the Florence Town Council meeting held on December 7, 2020, and that the meeting was duly called to order and that a quorum was present.



Lisa Garcia, Town Clerk

